

**EXHIBIT 2**

SUPREME COURT OF THE STATE OF NEW YORK  
COUNTY OF NEW YORK

-----X  
WILLIAM GUERRERO, CITY PROPERTY  
MANAGEMENT & DEVELOPMENT, ~~corp.~~,

Plaintiffs,

- against -

WEST 23<sup>rd</sup> STREET REALTY, LLC,  
WEST 36<sup>th</sup> STREET REALTY, LLC, and  
MACPIN REALTY CORP.,

Defendants.  
-----X

Index No. 601648/06

JUDGMENT

The issues in this action have come to be heard at IAS Part 55 of this Court, New York County, at the Courthouse located at 60 Centre Street, New York, NY 10005, before Justice Jane S. Solomon on a Motion to Dismiss the Amended Complaint under CPLR 3211.

Plaintiffs City Property Management & Development, Inc., a corporation duly organized under the laws of the State of New York, and William Guerrero, the sole owner of all of the issued shares of stock of Defendant City Property Management, appeared by the Law Offices of Michael A. Haskel. Defendants West 23<sup>rd</sup> Street Realty, LLC, West 36<sup>th</sup> Street Realty, LLC, both New York Limited Liability Companies, and Macpin Realty Corp., a corporation duly organized under the laws of the State of New York, appeared by The Dweck Law Firm, LLP. The issues were briefed and argued, and Justice Solomon rendered a decision on January 18, 2007 dismissing the Plaintiffs' ~~Amended~~ Complaint in its entirety and directing the Clerk to enter judgment accordingly with costs and disbursements as taxed. ~~\_\_\_\_\_~~

NOW, on the motion of the Dweck Law Firm LLP, attorneys for the Defendants, it is

ADJUDGED:

2. that the [REDACTED] Complaint [REDACTED]

is dismissed, *and it is further*

3. ADJUDGED that the Defendants West 23<sup>rd</sup> Street Realty, LLC, West 36<sup>th</sup> Street Realty, LLC and Macpin Realty Corp., with offices respectively located at 100 West 23<sup>rd</sup> Street, New York, NY 10011, 128 West 36<sup>th</sup> Street, New York, NY 10018, and 94-06 Roosevelt Avenue, Queens, NY 11372, *have judgment and* recover from the Plaintiffs William Guerrero and City Property Management & Development, *CORP.*, located at 100 West 23<sup>rd</sup> Street, Ground Floor, New York, NY 10011, the sum *of \$380.00* of ~~\$600.50~~ costs and disbursements of this action as taxed *by the clerk* and that the Defendants have execution therefor.

Judgment entered this *25<sup>th</sup>* day of January, 2007.

**FILED**

JAN 25 2007

COUNTY CLERKS OFFICE  
NEW YORK

*[Signature]*  
CLERK

WILLIAM GUERRERO, CITY PROPERTY  
MANAGEMENT & DEVELOPMENT, INC.

Plaintiff(s)

Costs of  
DEFENDANTS

WEST 23rd STREET REALTY, LLC,  
WEST 36th STREET REALTY, LLC, and  
MACPIN REALTY, CORP.

Defendant(s)

COSTS

Costs before note of issue.....	\$ 200.00
CPLR §8201 subd. 1	
Costs after note of issue.....	
CPLR §8201 subd. 2	
Trial of issue.....	
CPLR §8201 subd. 3	
Allowance by statute.....	
CPLR §8302(a), (b)	
Additional allowance.....	
CPLR §8302 (d)	
Motion costs.....	
CPLR §8202	
Appeal to Appellate Term.....	
CPLR §8203 (b)	
Appeal to Appellate Division.....	
CPLR §8203 (a)	
Appeal to Court of Appeals.....	
CPLR §8204	
Costs upon frivolous claims and counterclaims.....	
CPLR §8303-a	

DISBURSEMENTS

Fee for index number CPLR §8018(a).....	\$ 210.00
Referee's fees CPLR §8301(a)(1), 8003(a).....	
Commissioner's compensation CPLR §8301(a)(2).....	
Clerk's fee, filing notice of pend. or attach. CPLR §8021(a)(10).....	
Entering and docketing judgment CPLR §8301(a)(7), 8016(a)(2).....	50
Paid for searches CPLR §8301(a)(10).....	
Affidavits & acknowledgments CPLR §8009.....	
Serving copy summons & complaint CPLR §8011(h)(1), 8301(d).....	
Request for judicial intervention.....	95.00
Note of issue CPLR §8020(a).....	
Paid referee's report CPLR §8301(a)(12).....	
Certified copies of papers CPLR §8301(a)(4).....	
Satisfaction piece CPLR §5020(a), 8021.....	
Transcripts and filing CPLR §8021.....	5.00
Certified copy of judgment CPLR §8021.....	
Postage CPLR §8301(a)(12).....	
Jury fee CPLR §8020(c).....	
Stenographers' fees CPLR §8002, 8301.....	
Sheriff's fees on execution CPLR §8011, 8012.....	40.00
Sheriff's fees, attachment, arrest, etc. CPLR §8011.....	
Paid printing cases CPLR §8301(a)(6).....	
Clerk's fees Court of Appeals CPLR §8301(a)(12).....	
Paid copies of papers CPLR §8016(a)(4).....	
Motion expenses CPLR §8301(b).....	45.00
Fees for publication CPLR §8301(a)(3).....	
Serving subpoena CPLR §8011(h)1, 8301(d).....	
Paid for Search CPLR §8301(a)(10).....	
Referee's report.....	
Attendance of witnesses CPLR §8001(a)(b)(c), 8301(a)(1).....	

I HEREBY CERTIFY THAT I HAVE  
ADJUSTED THIS BILL OF COSTS AT  
\$ 380.00

JAN 25 2007

*Anna Gouss*

CLERK

**FILED**

JAN 25 2007

COUNTY CLERK'S OFFICE  
NEW YORK

COSTS.....	\$ 200.00
DISBURSEMENTS.....	180.00
TOTAL.....	380.00

	180.00
\$	400.50

JUDGE OF NEW YORK, COUNTY OF New York

ss.

ATTORNEY'S AFFIRMATION

The undersigned, an attorney admitted to practice in the courts of this state, affirms: that I am

attorney(s) of record for the **Defendants** in the above entitled action; that the foregoing disbursements have been or will be made or incurred in this action and are reasonable in amount and that each of the persons named as witnesses attended as such witnesses at the trial, hearing or examination before trial herein the number of days set opposite their names; that each of said persons resided the number of miles set opposite their names from the place of said trial, hearing or examination; and each of said persons, as such witness as aforesaid, necessarily traveled the number of miles so set opposite their names in traveling to, and the same distance in returning from, the same place of trial, hearing or examination; and that copies of documents or papers as charged herein were actually and necessarily obtained for use. The undersigned affirms that the foregoing statements are true, under the penalties of perjury.

dated: January 25, 2007

**FILED**

JAN 25 2007

COUNTY CLERK'S OFFICE  
NEW YORK

DAVID M. CARRUTHERS  
The name should must be printed beneath

COURT

COUNTY OF \_\_\_\_\_

Plaintiff(s)

against

Defendant(s)

**Bill of Costs  
and Notice of Taxation**

Please Take Notice that the within is a true copy of the items of costs and disbursements in the within action *taxed\** and that the same will be taxed\* by the Clerk of

Court, at his/her office in the courthouse thereof on \_\_\_\_\_ at \_\_\_\_\_ M.

of that day—and the amount inserted in the judgment. Yours, etc.

Attorney(s) for

To

Attorney(s) for

Service of the within bill of costs and notice of taxation is hereby admitted on

Attorney(s) for

\* Strike out one (CPLR §8-02, 8403)

I, \_\_\_\_\_, duly sworn, deposes and says; that deponent is not a party to the within action, is over 18 years of age and resides at \_\_\_\_\_

I served the within bill of costs and notice of taxation on \_\_\_\_\_

(s) for \_\_\_\_\_  
his/her office at \_\_\_\_\_

his/her absence from said office

either (a) or (b)

then and there leaving a true copy of the same with

\_\_\_\_\_ clerk, partner, person having charge of said office.

I said office being closed, by depositing a true copy of the within bill of costs and notice of taxation in a sealed wrapper directed to said attorney(s), in \_\_\_\_\_ the letter drop or box.

to before me on \_\_\_\_\_

New York, County of \_\_\_\_\_

ss.:

I, \_\_\_\_\_, duly sworn, deposes and says; that deponent is not a party to the within action, is over 18 years of age and resides at \_\_\_\_\_

I served the within bill of costs and notice of taxation on \_\_\_\_\_

(s) for \_\_\_\_\_

I, \_\_\_\_\_, press designated by said attorney(s) for that purpose by depositing a true copy of same enclosed in a postpaid properly sealed wrapper, in—a post office—official depository under the exclusive care and custody of the United States Postal Service within New York State.

to before me on \_\_\_\_\_

WILLIAM GUERRERO, CITY PROPERTY  
MANAGEMENT & DEVELOPMENT, INC.

Plaintiffs,

-against-

WEST 23<sup>rd</sup> STREET REALTY, LLC,  
WEST 36<sup>th</sup> STREET REALTY, LLC, and  
MACPIN REALTY CORP.

Defendants.

JUDGMENT

Attorneys for

THE DWECK LAW FIRM, LLP

Defendants  
75 ROCKEFELLER PLAZA  
NEW YORK, N. Y. 10019  
TELEPHONE: (212) 687-8200  
FACSIMILE: (212) 697-2521

1-6  
**FILED AND  
DOCKETED**

JAN 25 2007

AT 2:25 PM  
N.Y. CO. CLERK'S OFFICE

Pursuant to 22 NYCRR 130-1.1, the undersigned, an attorney admitted to practice in the courts of New York State, certifies that, upon information and belief and reasonable inquiry, the contentions contained in the annexed document are not frivolous.

Dated: .....

Signature .....

Print Signer's Name .....

Service of a copy of the within

is hereby admitted.

Dated: .....

Attorney(s) for

PLEASE TAKE NOTICE

Check Applicable Box

☐  
NOTICE OF  
ENTRY

that the within is a (certified) true copy of a  
entered in the office of the clerk of the within named Court on

20

☐  
NOTICE OF  
SETTLEMENT

that an Order of which the within is a true copy will be presented for settlement to the  
Hon. one of the judges of the within named Court,  
at  
on

20

, at

M.

Dated: .....

THE DWECK LAW FIRM, LLP

Attorneys for

75 ROCKEFELLER PLAZA  
NEW YORK, N. Y. 10019

To:

Attorney(s) for

**EXHIBIT 3**



FEBRUARY 24, 2007 R5.90 (incl VAT)

www.weekendpost.co.za

# Weekendpost

THE BEST SATURDAY READ IN THE EASTERN & SOUTHERN CAPE

## Tycoon family embroiled in bitter R350m lawsuit

ARISTIDES PITSLADI



0003/003

SANTA LUCIA / PITSILADI

2007 11:19 FAX 041432461

# US manager claims Pitsiladis fired him after he questioned dealings

By Nicky Willemsa

ONE of Port Elizabeth's wealthiest families is embroiled in a bitter R353-million court battle with a former employee in connection with their \$150-million international property empire.

The American former managing agent for three of the Pitsiladi family's New York City commercial real estate companies, Bill Guerrero, claims the family fired him unfairly after he raised questions about the legality of certain business dealings contained in financial and tax documents.

He had worked for the family for more than 10 years when he was axed in 2004.

However, the Pitsiladi family, who are suing Absa for R23 million in connection with the Maureen Clifford investment scheme scandal, says the claims by Guerrero are unfounded.

Their lawyer, Dave Nezar, said Guerrero had been fired for misappropriating funds.

The five members of the Pitsiladi family named in Guerrero's complaint are brothers Aristides "Pops" Pitsiladi, Nicholas Pitsiladi, Constantine Pitsiladi, their sister Maria Coutsourides and

her husband Dimitrios Coutsourides. The family owns several businesses in Port Elizabeth and citrus farms in the Sundays River area, along with liquor company Pinmac, which is in partnership with Prestons. They also own several hotels and a shopping mall in Greece.



MAUREEN CLIFFORD

Members of the Greek community in the city say the family has always been tight-lipped about their overseas business ventures.

Guerrero's complaint was dismissed by the Supreme Court in New York last month, but he has filed an appeal with the Appellate Division of the New York Supreme Court against that decision. The appeal is expected to be heard later this year.

In court papers, Guerrero says he was appointed in the early 1990s as the managing agent for three real estate companies: West 23rd Street Realty, West 36th Street Realty and Macpin Realty.

In October 2003, he started to question certain activities "contained in various financial documents" and in their application for tax amnesty in South Africa with respect to taxes due on their foreign investments in the US and Greece.

to P2

# Bay family embroiled in R350m lawsuit over property empire

from P1

Guerrero claims he repeatedly requested a turnover of books and records of the three real estate companies.

These requests were apparently refused, but he said he was assured by Nico Pitsiladi and the Pitsiladi partner's accountants that the activities were proper and legal.

In February 2004 Guerrero was told his contract was being terminated and within a month management was transferred to a new agent.

Guerrero claims his employment contract stated that 60 days written notice was required.

He also alleges that the Pitsiladis were involved in Clifford's Usapho Trust, and solicited US investors in the scheme.

In their plea document, the Pitsiladi family refute Guerrero's claims, saying he did not have access to their financial or tax doc-

uments, and that no activities conducted through the companies were "in any way tainted with impropriety or unlawful". They also deny acting improperly or unlawfully in relation to the Usapho Trust.

Guerrero said he felt very strongly that my dismissal was a result of the questions I raised.

Weekend Post also received a document, which has apparently been circulating anonymously throughout the close-knit Greek community in New York City, which contains a number of damning allegations relating to financial dealings against the Pitsiladi family.

The family's US trial specialist, Jack Dyck, said he did not know of any anonymous documents in New York City.

Nabas, who handled the Pitsiladi commercial matters, said he had received the documents late last year but dismissed the claims as untrue and defamatory.



A member of the Port Elizabeth Greek community who asked not to be named said the Pitsiladis had always been very secretive about their property empire.

He probably got the financial details from the family's overseas agents. He travels in the US and Greece two to three times a year to do that.

The Pitsiladi family, together with a number of colleagues, are claiming R23 million from Absa, saying the bank falsely assured them Maureen Clifford's Usapho Trust was a safe investment. In March last year the civil case by Pops Pitsiladi and 11 other family members, business partners or family business trusts was postponed indefinitely in the Port Elizabeth High Court.

Pitsiladi will take place once the ongoing Clifford fraud trial case has been finalised.

nwillemsa@bnn.co.za

<b>THE DWECK LAW FIRM, LLP</b> WESTCHESTER ACCOUNT 75 ROCKEFELLER PLAZA NEW YORK, NY 10019		20612
DATE <u>7/23/07</u>		55-7272-212
PAY TO THE ORDER OF	<u>Clark of U.S. District Court</u> <u>Three hundred fifty</u> <del>XX</del>	<u>\$350</u> <del>XX</del>
 <b>Washington Mutual</b> <small>Washington Mutual Bank, FA Manhattan Midtown Financial Center 7393 589 Fifth Avenue New York, NY 10017 1-800-456-7000 24-hour Customer Service</small>		DOLLARS  Security Features Detailed on Back
FOR	<u>W 23 St v Guerrero</u>	
⑈00020612⑈+⑈021272723⑈ 9362236593⑈		

# CIVIL COVER SHEET

JS 44C/SDNY  
REV. 1/97

The JS-44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings, or other papers as required by law, except as provided by local rules of Court. This form, approved by the Judicial Conference of the United States in September 1974, is required for use of the Clerk of Court for the purpose of initiating the civil docket sheet.

## PLAINTIFFS

ARISTIDES "POPS" PITSILADI, NICHOLAS PITSILADI, Individually and as Members, of WEST 23<sup>RD</sup> STREET REALTY LLC, WEST 36<sup>TH</sup> STREET REALTY LLC AND MACPIN REALTY LLC, WEST 23<sup>RD</sup> STREET, REALTY LLC, WEST 36<sup>TH</sup> STREET REALTY LLC. AND MACPIN REALTY LLC

## DEFENDANTS

WILLIAM GUERRERO, CITY PROPERTY  
MANAGEMENT AND DEVELOPMENT INC.

ATTORNEYS (FIRM NAME, ADDRESS AND TELEPHONE NUMBER)

The Dweck Law Firm, LLP  
230 Park Avenue, Ste. 416, NY, NY 10169  
212-687-8200

ATTORNEYS (IF KNOWN)

Unknown

CAUSE OF ACTION (CITE THE U.S. CIVIL STATUTE UNDER WHICH YOU ARE FILING AND WRITE A BRIEF STATEMENT OF CAUSE)

Misappropriation of money, defamation, breach of fiduciary obligation

Has this or a similar case been previously filed in SDNY at any time? No ☒ Yes ☐ Judge Previously Assigned

If yes, was the case: Vol. ☐ Invol. ☐ Dismissed. No ☐ Yes ☐ If yes, give date \_\_\_\_\_ & Case No. \_\_\_\_\_

PLACE AN x IN ONE BOX ONLY.

## NATURE OF SUIT

CONTRACT		TORTS		ACTIONS UNDER STATUTES	
PERSONAL INJURY		PERSONAL INJURY		BANKRUPTCY	
FORFEITURE/PENALTY		LABOR		OTHER STATUTES	
[ ] 110 INSURANCE	[ ] 310 AIRPLANE	[ ] 362 PERSONAL INJURY	[ ] 610 AGRICULTURE	[ ] 422 APPEAL 28 USC 158	[ ] 400 STATE REAPPORTIONMENT
[ ] 120 MARINE	[ ] 315 AIRPLANE PRODUCT LIABILITY	[ ] 365 PERSONAL INJURY PRODUCT LIABILITY	[ ] 620 FOOD & DRUG SEIZURE OF PROPERTY	[ ] 423 WITHDRAWAL 28 USC 157	[ ] 410 ANTITRUST
[ ] 130 MILLER ACT	[X] 320 ASSAULT, LIBEL & SLANDER	[ ] 368 ASBESTOS PERSONAL INJURY PRODUCT LIABILITY	[ ] 625 DRUG RELATED SEIZURE OF PROPERTY		[ ] 430 BANKS & BANKING
[ ] 140 NEGOTIABLE INSTRUMENT	[ ] 330 FEDERAL EMPLOYERS' LIABILITY		[ ] 610 LIQUOR LAWS	PROPERTY RIGHTS	[ ] 450 COMMERCE/ACC RATES/ETC
[ ] 150 RECOVERY OF OVERPAYMENT & ENFORCEMENT OF JUDGMENT	[ ] 340 MARINE	PERSONAL PROPERTY	[ ] 640 R R & TRUCK	[ ] 820 COPYRIGHTS	[ ] 460 DEPORTATION
[ ] 151 MEDICARE ACT	[ ] 345 MARINE PRODUCT LIABILITY		[ ] 650 AIRLINE REGS	[ ] 830 PATENT	[ ] 470 RACKETEER, INFLUENCE & CORRUPT ORGANIZATION (RICO)
[ ] 152 RECOVERY OF	[ ] 350 MOTOR VEHICLE	[ ] 370 OTHER FRAUD EXCHANGE	[ ] 660 OCCUPATIONAL SAFETY/HEALTH	[ ] 840 TRADEMARK	[ ] 810 SELECTIVE SERVICE
DEFAULTED STUDENT LOANS	[ ] 355 MOTOR VEHICLE PRODUCT LIABILITY	[ ] 371 TRUTH IN LENDING	[ ] 690 OTHER		[ ] 850 SECURITIES/COMMODITIES
(EXCL VETERANS	[ ] 360 OTHER PERSONAL INJURY	[ ] 380 OTHER PERSONAL		SOCIAL SECURITY	[ ] 875 CUSTOMER CHALLENGE 12 USC 341
[ ] 153 RECOVERY OF OVERPAYMENT OF VETERAN'S BENEFITS		PROPERTY DAMAGE			[ ] 891 AGRICULTURE ACTS
[ ] 160 STOCKHOLDERS' SUITS		[ ] 385 PROPERTY DAMAGE PRODUCT LIABILITY	LABOR	[ ] 861 MIA (1395FF)	[ ] 863 DIWW (405(g))
[ ] 190 OTHER CONTRACT			[ ] 710 FAIR LABOR STANDARDS ACT	[ ] 862 BLACK LUNG (923)	[ ] 893 ENVIRONMENTAL MATTER
[ ] 195 CONTRACT PRODUCT LIABILITY	ACTIONS UNDER STATUTES		[ ] 720 LABOR/MGMT RELATIONS	[ ] 863 DIWC (405(g))	[ ] 894 ENERGY ALLOCATION
REAL PROPERTY	CIVIL RIGHTS	PRISONER PETITIONS	[ ] 730 LABOR/MGMT REPORTING & DISCLOSURE ACT	[ ] 864 SSID TITLE XVI	[ ] 895 FREEDOM OF INFORMATION ACT
[ ] 210 LAND CONDEMNATION	[ ] 441 VOTING	[ ] 510 MOTIONS TO VACATE SENTENCE	[ ] 740 RAILWAY LABOR ACT	[ ] 865 RSI (405(g))	[ ] 900 APPEAL OF FEE DETERMINATION UNDER EQUAL ACCESS TO JUSTICE
[ ] 220 FORECLOSURE	[ ] 442 EMPLOYMENT	[ ] 530 HABEAS CORPUS	[ ] 790 OTHER LABOR LITIGATION	FEDERAL TAX SUITS	[ ] 950 CONSTITUTIONALITY STATE STATUTES
[ ] 230 RENT LEASE & EJECTMENT	[ ] 443 HOUSING/ACCOMMODATIONS	[ ] 535 DEATH PENALTY	[ ] 791 EMPL RET INC SECURITY ACT	[ ] 870 TAXES	[ ] 890 OTHER STATUTORY ACTS
[ ] 240 TORTS TO LAND	[ ] 444 WELFARE	[ ] 540 MANDAMUS & OTHERS		[ ] 871 IRS-THIRD PARTY 20 USC 7609	
[ ] 246 TORT PRODUCT LIABILITY	[ ] 440 OTHER CIVIL RIGHTS	[ ] 550 CIVIL RIGHTS			
[ ] 290 ALL OTHER REAL PROPERTY		[ ] 555 PRISON CONDITION			

Check if demanded in complaint:

CHECK IF THIS IS A CLASS ACTION  
UNDER F.R.C.P. 23

DO YOU CLAIM THIS CASE IS RELATED TO A CIVIL CASE NOW PENDING IN S.D.N.Y.?

IF SO STATE:

DEMAND \$	OTHER
-----------	-------

Check YES only if demanded in complaint

JURY DEMAND ☐ YES ☐ NO

JUDGE \_\_\_\_\_ DOCKET NUMBER \_\_\_\_\_

**NOTE:** Please submit at the time of filing an explanation of why cases are deemed related.



(PLACE AN x IN ONE BOX ONLY)

## ORIGIN

☒ 1 Original Proceeding  
 ☐ 2 Removal from State Court  
 ☐ 3 Remanded from Appellate Court  
 ☐ 4 Reinstated or Reopened  
 ☐ 5 Transferred from (specify district)  
 ☐ 6 Multi-district Litigation  
 ☐ 7 Appeal to District Judge From Magistrate Judge Judgment

(PLACE AN x IN ONE BOX ONLY)

## BASIS OF JURISDICTION

☐ 1 U.S. PLAINTIFF  
 ☐ 2 U.S. DEFENDANT  
 ☐ 3 FEDERAL QUESTION (U.S. NOT A PARTY)  
 ☐ 4 DIVERSITY

IF DIVERSITY, INDICATE  
 CITIZENSHIP, BELOW  
 (28 USC 1332, 1441)

## CITIZENSHIP OF PRINCIPAL PARTIES (FOR DIVERSITY CASES ONLY)

(Place an [X] in one box for Plaintiff and one box for Defendant)

CITIZEN OF THIS STATE	PTF DEF [ ] 1 [ ] 1	CITIZEN OR SUBJECT OF A FOREIGN COUNTRY	PTF DEF [ ] 3 [ ] 3	INCORPORATED and PRINCIPAL PLACE OF BUSINESS IN ANOTHER STATE	PTF DEF [ ] 5 [ ] 5
CITIZEN OF ANOTHER STATE	PTF DEF [ ] 2 [ ] 2	INCORPORATED or PRINCIPAL PLACE OF BUSINESS IN THIS STATE	PTF DEF [ ] 4 [ ] 4	FOREIGN NATION	PTF DEF [ ] 6 [ ] 6

PLAINTIFF(S) ADDRESS(ES) AND COUNTY(IES) (Calendar Rule 4(A))

DEFENDANT(S) ADDRESS(ES) AND COUNTY(IES) (Calendar Rule 4(A))

DEFENDANT(S) ADDRESS UNKNOWN

REPRESENTATION IS HEREBY MADE THAT, AT THIS TIME, I HAVE BEEN UNABLE, WITH REASONABLE DILIGENCE, TO ASCERTAIN THE RESIDENCE ADDRESSES OF THE FOLLOWING DEFENDANTS:

Check one: THIS ACTION SHOULD BE ASSIGNED TO: ☐ WHITE PLAINS ☒ FOLEY SQUARE

(DO NOT check either box if this is a PRISONER PETITION.)

DATE 7/20/07

SIGNATURE OF ATTORNEY OF RECORD

ADMITTED TO PRACTICE IN THIS DISTRICT

☐ NO☒ YES (DATE ADMITTED Mo. 11 Yr. 1993)

RECEIPT #

Attorney Bar Code # (RH-2306)

Magistrate Judge is to be designated by the Clerk of the court.

Magistrate Judge \_\_\_\_\_ is so Designated.

J. Michael McMahon, Clerk of Court by \_\_\_\_\_ Deputy Clerk, DATED \_\_\_\_\_

UNITED STATES DISTRICT COURT (NEW YORK SOUTHERN)

S:\Secretary 2\Client Docs\West 23rd-2nd action - Misapprop federal civil cover sheet 2007 7-20.wpd

**EXHIBIT 2**

Michael A. Haskel (MH 4680)  
Leonard Gekhman (LG 7488)  
Law Offices of Michael A. Haskel  
Attorneys for Defendant  
167 Willis Avenue  
Mineola, New York 11501  
Ph: (516) 294-0250

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

-----X  
ARISTIDES "POPS" PITSILADI, NICHOLAS  
PITSILADI, Individually and as Members of WEST  
23rd STREET REALTY LLC, WEST 36th STREET  
REALTY LLC, and MACPIN REALTY LLC,  
WEST 23rd STREET REALTY LLC, WEST 36th  
STREET REALTY LLC and MACPIN REALTY LLC,

Civ. No. 07/6605  
(JGK)

Plaintiffs,

ANSWER WITH  
COUNTERCLAIM

-against-

JURY TRIAL DEMANDED

WILLIAM GUERRERO, CITY PROPERTY  
MANAGEMENT AND DEVELOPMENT INC.

Defendants

-----X  
Defendants William Guerrero ("Guerrero") and City Property Management and  
Development Inc. ("City Property"), by their attorneys, Law Offices of Michael A.  
Haskel, answer the complaint of Aristides Pitsiladi ("A.Pitsiladi") and Nicholas Pitsiladi  
("N.Pitsiladi"), Individually and as Members of West 23<sup>rd</sup> STREET REALTY LLC  
("W.23<sup>rd</sup> Realty"), WEST 36<sup>th</sup> STREET REALTY LLC ("W.36<sup>th</sup> Realty"), and MACPIN  
REALTY LLC ("MacPin"), W.23<sup>rd</sup> Realty, W. 36<sup>th</sup> Realty and MacPin as follows:

1. Deny the allegations in paragraph 1 of the complaint, except admit that  
defendants are licensed real estate brokers, and that they collected rents from certain



properties owned by the plaintiffs, made certain political contributions, and filed a civil action containing allegations that plaintiffs were involved in certain illegal conduct, and that the plaintiffs seek various relief to which they are not entitled.

2. Deny knowledge or information sufficient to form a belief as to the truth of the allegations in paragraph 2 of the complaint, except, upon information and belief, admit that defendants A. Pitsiladi and N. Pitsiladi are citizens of the Republic of South Africa.

3. Admit the allegations in paragraph 3 of the complaint, except deny that W.23rd Realty existed prior to in or about April 1995.

4. Admit the allegations in paragraph 4 of the complaint, except deny that W.36th Realty existed prior to in or about April 1995.

5. Deny the allegations in paragraph 5 of the complaint.

6. Deny the allegations in paragraph 6 of the complaint, except admit that, upon information and belief, the holders of the membership interests in W. 23rd Realty and W. 36th Realty are citizens of South Africa.

7. Deny the allegations in paragraph 7 of the complaint.

8. Admit the allegations in paragraph 8 of the complaint, except deny that City Property currently maintains its principal offices at 100 West 23<sup>rd</sup> Street, County, City and State of New York.

9. Admit the allegations in paragraph 9 of the complaint.

10. Paragraph 10 of the complaint states a conclusion of law to which no response is necessary.

11. Upon information and belief, admit the allegations in paragraph 11 of the complaint, except deny that MacPin owns or owned property in New York.

12. Upon information and belief, admit the allegations in paragraph 12 of the complaint, except deny that MacPin owns or owned property in New York.

13. Admit the allegations in paragraph 13 of the complaint, except deny that MacPin owns or owned property in New York..

14. Admit that the defendants were obligated to collect rent from the tenants, maintain the properties and pay proper operating expenses of the properties out of the rent collected but deny that defendants were required to remit to plaintiffs all rental proceeds remaining after payment of "proper operating expenses."

15. Admit the existence of agreements between the defendants and certain of the plaintiffs regarding provision of the management services, refer to the agreements for their terms and deny the balance of the allegations of paragraph 15 of the Complaint.

16. Deny the allegations in paragraph 16 of the complaint, except admit that on or about March 15, 2004 the management of the Managed Real Estate Companies was transferred from City Property to a new managing agent, George Butsikaris Realty, Inc.

17. Admit the allegations in paragraph 17 of the complaint, except deny that the lawsuit was brought against "the Entities."

18. Admit the allegations in paragraph 18 of the complaint.

AS TO THE FIRST CAUSE OF ACTION

19. Deny the allegations in paragraph 19 of the complaint, except deny knowledge of information sufficient to form a belief as to whether an analysis of financial records was conducted or as to the contents or conclusions of any such analysis.

20. Deny the allegations in paragraph 20 of the complaint, except admit that certain political contributions were made but such political contributions were authorized

to be made by certain of the Plaintiffs, and deny knowledge or information sufficient to form a belief as to whether an audit was conducted or as to the contents or conclusions of any such audit.

21. Deny the allegations in paragraph 21 of the complaint, except deny knowledge or information sufficient to form a belief as to whether an audit was conducted or as to the contents or conclusions of any such audit.

22. Deny the allegations in paragraph 22 of the complaint, except deny knowledge or information sufficient to form a belief as to whether an audit was conducted or as to the contents or conclusions of any such audit.

23. Deny the allegations in paragraph 23 of the complaint.

24. Deny the allegations in paragraph 24 of the complaint.

AS TO THE SECOND CAUSE OF ACTION

25. Defendants repeat and reallege their responses to paragraphs 1-24 of the complaint, as if fully stated herein.

26. Defendants deny the allegations in paragraph 26 of the complaint, and repeat and reallege their responses to paragraphs 13 through 17 of the complaint as if fully stated herein.

27. Deny the allegations in paragraph 27 of the complaint.

AS TO THE THIRD CAUSE OF ACTION

28. Defendants repeat and reallege their responses to paragraphs 1-27 of the complaint as if fully stated herein.

29. Deny the allegations in paragraph 29 of the complaint, except admit that defendants made certain political contributions, and state that such contributions were authorized by certain of the Plaintiffs.

AS TO THE FOURTH CAUSE OF ACTION

30. Defendants repeat and reallege their responses to paragraphs 1-29 of the complaint as if fully stated herein.

31. Deny the allegations in paragraph 31 of the complaint, except admit that defendants made certain political contributions which were authorized by certain of the Plaintiffs and that Guerrero signed certain tax returns as if he was an officer of one or more of the plaintiffs, and state that the tax returns were signed pursuant to plaintiffs' request upon advice of the plaintiffs' accountants and attorneys.

32. Deny the allegations in paragraph 32 of the complaint.

AS TO THE FIFTH CAUSE OF ACTION

33. Defendants repeat and reallege their responses to paragraphs 1-32 of the complaint as if fully stated herein.

34. Deny the allegations in paragraph 34 of the complaint, except admit that defendants collected rents and made disbursements from the rents so collected.

35. Deny the allegations in paragraph 35 of the complaint.

36. Deny the allegations in paragraph 36 of the complaint,

37. Deny the allegations in paragraph 37 of the complaint to the extent response is required.

38. Deny the allegations in paragraph 38 of the complaint.

AS TO THE FOURTH CAUSE OF ACTION.

39. Defendants repeat and reallege their responses to paragraphs 1-18 of the complaint as if fully stated herein.

40. Admit the allegations in paragraph 40 of the complaint.

41. Refer to the article quoted in paragraph 41 for its contents and admit the balance of the allegations in paragraph 41 of the complaint.

42. Deny the allegations in paragraph 42 of the complaint .

43. Deny the allegations in paragraph 43 of the complaint.

44. Deny the allegations in paragraph 44 of the complaint.

AND AS FOR A FIRST AFFIRMATIVE DEFENSE

45. Plaintiffs' claims are barred by the statute of limitations.

AND AS FOR A SECOND AFFIRMATIVE DEFENSE

46. Plaintiffs' claims are barred by waiver and/or estoppel.

AND AS FOR A THIRD AFFIRMATIVE DEFENSE

47. Plaintiffs' claims are barred by laches.

AND AS FOR A FOURTH AFFIRMATIVE DEFENSE

48. Plaintiffs' claims are barred by the doctrine of unclean hands

AND AS FOR A FIFTH AFFIRMATIVE DEFENSE

49. Plaintiffs' defamation claims are barred because the statements complained of were privileged insofar as they were contained in defendants' legal papers, and insofar as the complained of article was a true and accurate report of a legal proceeding.

AND AS FOR A SIXTH AFFIRMATIVE DEFENSE

50. Plaintiffs' defamation claims are barred insofar as the allegedly defamatory statements are true.

AND AS FOR A SEVENTH AFFIRMATIVE DEFENSE

51. Any damages suffered by plaintiffs are due to their own culpable conduct, and not the conduct of defendants.

AND AS FOR AN EIGHTH AFFIRMATIVE DEFENSE

52. Plaintiffs' complaint fails to set forth a cause of action upon which relief may be granted.

AND AS FOR AN EIGHTH AFFIRMATIVE DEFENSE

53. Plaintiffs, A.Pitsiladi and N.Pitsiladi lack authority to bring a derivative action on behalf of plaintiff LLCs.

AND AS FOR A COUNTERCLAIM AGAINST A.PITISLADI AND N.PITSILADI –  
DEFAMATION

54. Defendant Guerrero is a citizen of New Jersey.

55. Plaintiffs A.Pitsiladi and N.Pitsiladi are citizens of the Republic of South Africa.

56. The matter in controversy on this counterclaim exceeds the sum of \$75,000, exclusive of interest and costs.

57. This Court has jurisdiction over this counterclaim pursuant to 28 USC §1332(a)(2)

58. Upon information and belief, prior to and/or in or about February 2004, plaintiffs, A. Pitsiladi and N.Pitsiladi told their attorney, Dave Nezar, that defendant City Property had been terminated as managing agent of plaintiffs' New York real estate because Guerrero, its principal, misappropriated funds.



59. Upon information and belief, in or about February 2004, plaintiffs instructed or authorized Dave Nezar to respond to press inquiries about defendants' lawsuit against plaintiffs by telling them that defendants had been terminated due to Guerrero's misappropriation of funds.

60. Upon information and belief, A.Pitsiladi and N.Pitsiladi provided such information to Dave Nezar intending for it to be published.

61. Upon information and belief, A.Pitsiladi and N.Pitsiladi knew such statements were false, insofar as defendants had not misappropriated funds nor was City Property terminated as a result of any misappropriation of funds.

62. On February 24, 2007 an article appeared in a South African newspaper, the Weekend Post, containing the following language regarding Dave Nezar, the attorney for A.Pitsiladi and N.Pitsiladi:

"Their lawyer, Dave Nezar, said Guerrero had been fired for misappropriating funds."

63. The article containing the statement has been published on the World Wide Web at <http://www.algoafm.co.za/newsarticle.asp?NewsId=98676>.

64. This statement constituted defamation per se, insofar as Guerrero was accused of the crime of conversion, and insofar as it tended to defame him with respect to his fitness to carry out his business or profession.

65. As a result, Guerrero has been damaged in an amount to be determined at trial.

66. Prior to and while making the statements set forth herein, the A.Pitsiladi and N.Pitsiladi engaged in a pattern of harassment directed at defendant William Guerrero.

67. The pattern of harassment consisted of among other things, sending Guerrero and one of his companies, which rented space at the West 23<sup>rd</sup> Street premises, inflated water bills and tax bills, demanding certificate of insurance for such rented premises when one has already been provided, and disrupting the use of the elevator for Guerrero and his company's employees.

68. The defamatory statements described herein were made with intent to damage Guerrero's reputation as part of the pattern of harassment.

69. The false statements were made by the plaintiffs willfully, intentionally and maliciously, while the defendants were aware of their falsity. Accordingly, defendant William Guerrero is entitled to punitive damages in the amount of \$5,000,000.

70. Defendants demand jury trial of all issues.

WHEREFORE, defendants demand judgment dismissing the plaintiffs' complaint in its entirety, and William Guerrero demands judgment on the first counterclaim against plaintiffs, A.Pitsiladi and N.Pitsiladi in the amount to be determined at trial and for punitive damages in the amount of \$5,000,000.

Dated: Mineola, New York  
October 8, 2007

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